COUNCIL MEETING MINUTES
December 8th, 2014

The Common Council of the City of Kokomo, Indiana met Monday December 8th, 2014 at 7:00 P.M. in the Council Chambers.

The meeting was called to order by President Kennedy.

Invocation was offered by Councilwoman Sanders.

Pledge:

Present: Wyant, Cameron, Young, Haworth, Hayes, Kennedy, Summers, Sanders, Miklik

Absent: None

The minutes of the November 24th, 2014 Council Minutes were declared approved as presented.

COMMUNICATIONS: President Kennedy states, I need to acknowledge the fact that we have received the 2014 Encumbrance Report.

Councilman Hayes states, I would like to take this opportunity to make a recognition. Lawrence McCormack is the City Attorney, and tonight is going to be his last official act as City Attorney. I just want to recognize of the two people that I work with most closely besides the Controller is the City Attorney. He has been very helpful, very professional through-out the years of me working with him. I appreciate the service that you have done, and I am sure the Council will echo the same-thing.
Cont. Communications.
Lawrence McCormack states, Mr. President, Members of the Council thank you very much for those kind words. It has been a pleasure to work with all of you also. In my four years working with the City I have had the pleasure of working with the Administration, Mayor, Council and been able to accomplish a lot in the short amount of time. Our Community is transforming every-day; and it is happening for the better. It’s been an honor to work with you, and an honor to work for the City for the Citizens of this great City; and to be able to do some great things. I think that Kokomo has a lot of positive in its future and I know that you guys will continue to keep up the great work and our Community will continue to prosper. It’s been an honor to work with all of you and I thank you for the kind words tonight.

Several citizens spoke on Strip Bars: They are as follows:
David Ihms 8166 West 200 South Russiaville, Ind., Don Burris 227 Ariel Court Kokomo, Ind., Mark Turner 321 West Mulberry Street Kokomo, Ind., Michael McDermic 642 North 600 West Kokomo, Ind., Evan Yoger 351 West 300 South Russiaville, Ind. Roger Ambros 1310 West Brook Drive Kokomo, Ind.

There were no committee reports given at this regular meeting.
ORDINANCE 6781:

AN ORDINANCE AUTHORIZING THE ISSUANCE OF ECONOMIC DEVELOPMENT REVENUE BONDS, SERIES 2015 (KOKOMO YMCA PROJECT) OF THE CITY OF KOKOMO, INDIANA, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $8,500,000 THE PROCEEDS OF WHICH SHALL BE LOANED TO THE YOUNG MEN’S CHRISTIAN ASSOCIATION OF KOKOMO, INDIANA, AN INDIANA NONPROFIT PUBLIC BENEFIT CORPORATION, TO FINANCE THE ACQUISITION, AND EQUIPPING OF AN ECONOMIC DEVELOPMENT FACILITY LOCATED IN THE CITY OF KOKOMO, INDIANA, PROVIDING FOR THE PLEDGE AND ASSIGNMENT OF REVENUES FOR THE PAYMENT OF SAID BONDS, AUTHORIZING A BOND PURCHASE AND LOAN AGREEMENT WITH RESPECT TO THE BONDS, AND AUTHORIZING OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF SUCH BONDS.

Second reading

Ordinance 6781 was read by the Clerk by title only. Councilman Miklik moved for passage on ordinance #6781 on second reading. Seconded by Councilwoman Sanders.
CONT. ORDINANCE #6781.

Councilman Miklik states, this ordinance was presented at our last meeting in great detail. Kokomo being a municipal city and the fact that these are going to be economic development bonds in the amount of $8.5 Million Dollars. This will help in the acquisition and building of the YMCA of approximately eighty-one thousand square feet. I would suggest to the Council we pass ordinance #6781.

Vote for passage follows:
Aye: All
Nay: None

The vote was 9 to 0 for passage on second reading.

ORDINANCE 6782:

ORDINANCE APPROVING THE SALE OF PROPERTY THE YOUNG MEN’S CHRISTIAN ASSOCIATION OF KOKOMO, INDIANA (YMCA) FOR THE PROJECT

First reading

Ordinance 6782 was read by the Clerk by title only. Councilman Hayes moved for suspension of the rules and pass ordinance #6782 on first and second reading. Seconded by Councilman Haworth.

Vote for suspension of the rules:
Aye: All
Nay: Nay

The vote was 9 to 0 for suspension of the rules.

Councilman Hayes moved for passage on ordinance #6782 on second reading. Seconded by Councilman Wyant.

Councilman Hayes states, this is basically a donation of property in the amount of $81,000 to the YMCA Project. The property is located across the street also known as the Old Button Property.
Cont. Ordinance #6782.
Vote for passage follows:
Aye: All
Nay: None
The vote was 9 to 0 for passage on first and second reading

RESOLUTION 2666:

RESOLUTION APPROVING CERTAIN FINANCING AGREEMENT WITH THE YOUNG MEN’S CHRISTIAN ASSOCIATION OF KOKOMO, INDIANA (YMCA) AND PLEDGING CERTAIN REVENUES TO A CAPITAL CONTRIBUTION FOR THE PROJECT

Resolution 2666 was read by the Clerk by title only. Councilman Hayes moved for passage on resolution #2666. Seconded by Councilman Haworth.
Councilman Hayes states, this is a $4 Million Dollar cash pledge to the YMCA to be structured as a forgivable loan until the project is complete. This is protected by a lien on the property.
Vote for passage follows:
Aye: All
Nay: None
The vote was 9 to 0 for passage.

RESOLUTION 2668:

RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF KOKOMO, INDIANA, RELATING TO THE PLEDGE OF ECONOMIC DEVELOPMENT INCOME TAX FOR ECONOMIC DEVELOPMENT PURPOSES RELATED TO THE KOKOMO YMCA PROJECT
Cont. Resolution 2668.
Resolution 2668 was read by the Clerk by title only. Councilman Hayes moved for passage on resolution #2668. Seconded by Councilman Haworth.
Councilman Hayes states, this is a $4 Million Dollar backing of the un-funded pledge revenue using edit money of the YMCA’S $8.5 Million Dollar Bond. The first $2 Million on a 1 for 1 one dollar for one dollar reducing and then the Second Million would be a $1.00 for $2.00 reduction.
Vote for passage follows:
Aye: All
Nay: None
The vote was 9 to 0 for passage.

RESOLUTION 2669: A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF KOKOMO, INDIANA APPROVING THE PURCHASE OF CERTAIN REAL PROPERTY
Resolution 2669 was read by the Clerk by title only. Councilman Hayes moved for passage on resolution #2669. Seconded by Councilman Haworth.
Councilman Hayes states, this is purchase of some property that is currently in a flood zone. The property is located at 225 South Union and per-regulation this has to be approved by the City Council.
Vote for passage follows:
Aye: All
Nay: None
The vote was 9 to 0 for passage.
RESOLUTION 2670:

RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF KOKOMO, INDIANA, AMENDING CERTAIN ECONOMIC REVITALIZATION AREA DECLARATORY RESOLUTIONS AND REGARDING CERTAIN PERSONAL PROPERTY TAX ABATEMENT DEDUCTIONS FOR CHRYSLER GROUP LLC

Resolution 2670 was read by the Clerk by title only. Councilman Hayes moved for passage on resolution #2670. Seconded by Councilman Summers.

Councilman Hayes states, this is a Declaratory Resolution amending the existing Economic Revitalization Area. This is covering the amount of $266,000,000 which would be abated over a 10 year period. This is an agreement between the City of Kokomo and Chrysler Group LLC; also attached are Exhibits A, B, and C that goes into further details on this resolution. I encourage passage by the City Council.

President Kennedy states, we do have some folks here from Chrysler.

Good evening my name is Robert J. Varsanik I am the newly appointed General Manager for Transmission Operations for Chrysler Group LLC. I also have in the audience some key members of the UAW. I have some good news to share with you this evening. Chrysler Group attends to invest an additional $266 Million Dollars to expand our 8 speed automatic transmission operations at the Kokomo Transmission Plant. This investment will provide the company with the flexibility respond to the market with products that utilized the 8 speed transmission. As a result of this investment there will be retention of employment.
Cont. Resolution #2670.
Currently we employ 7500 people in five plants located in North Central Indiana; with nearly 3500 employed at our Kokomo Transmission Facility. We request Common Councils approval of Chrysler Groups request to amend the current tax abatement. Thank you.

Councilman Hayes asks, basically this is going to be a retention of 212 employees, and the aggregate annual salaries are $9.8 Million Dollars?

Robert Varsanik states, yes.

President Kennedy states, we are taking a current abatement that is already in place, and basically piggy backing on to that.

Councilwoman Sanders asks, the 8 speeds are what you are doing? Is the 9 speeds coming?

Robert Varsanik states, yes. As of tonight I do not have any information on the 9 speeds. We have 9 speeds in production today.

President Kennedy states, we appreciate everything Chrysler has done for this City. I know it is a nice Christmas present for our Community. We appreciate UAW as well. I hope we continue down the road with further investment, and that we can hopefully help in any-way we can.

Councilwoman Young states, I know 685 has a new president, and I would like to introduce Carl Freeman.
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Cont. Resolution #2670.
President Kennedy states, at our next meeting we will have a public hearing regarding this by law regarding this resolution. It will be a different resolution at the next meeting because this will pass. We will have a Confirmatory Resolution at that point.

Vote for passage follows:
Aye: All
Nay: None
The vote was 9 to 0 for passage.

President Kennedy states, this marks the end of this Council Meeting for the year 2014. Our next Council Meeting will be a Re-Organizational Meeting on January 5th, 2015 at 5:00 P.M. in the Council Chambers. Our next Council Meeting will be January 12th, 2015 with an Informational Meeting at 5:30 P.M. in the Louks Room. Council Meeting at 6:00 P.M. in the Council Chambers.

Adjourned at 7:30 P.M.

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PRESIDING OFFICER

ATTEST:

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CITY CLERK